



BUSINESS MEETING OF THE
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, January 14, 2014
Lansing District Office
7150 Harris Drive
Lansing MI 48909

Present: Andrew J. Deloney, Chairman
Teri L. Quimby, Commissioner
Dennis Olshove, Commissioner

Absent: None

Staff: Steve Robinson, Director of Finance Division
Julie Wendt, Director of Executive Services Division
Kerry Krone, Business Manager
Jason Geissler, Assistant Attorney Generals Office
Anita Fawcett, Executive Services Division

The meeting was called to order by Chairman Deloney at 9:36 a.m., noting a quorum was present.

- I. **Moved by Commissioner Quimby, supported by Commissioner Olshove, that the minutes of the Commission meeting of December 17, 2013, be approved as written and presented, motion carried by unanimous vote.**
- II. Mr. Robinson presented the E-Quote reports for product listings in four categories and requested approval of the following:
 - A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meet other exceptions as indicated and be approved for listing in the approved products list effective February 2, 2014:

| <u>COMPANY/ADA</u> | <u>PRODUCT</u> | <u>PACK SIZE</u> |
|---|--|------------------|
| Jim Beam Brands Co. (NWS Michigan, Inc.) | 750ml Jim Beam Single Barrel Bourbon | 6 Bottles |
| Castle Brands (USA) Corp. (General Wine & Liquor Co.) | 50ml Pinnacle Cinnabon Cinn Roll Vodka | 96 Bottles |
| Constellation Brands, Inc. (General Wine & Liquor Co.) | 750ml Jefferson's Ocean Aged at Sea | 6 Bottles |
| | 375ml Svedka Mango Pineapple Vodka | 12 Bottles |
| | 375ml Svedka Strwbry Lemonade Vodka | 12 Bottles |

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| Chatham Imports, Inc. (NWS Michigan, Inc.) | 750ml Crop Organic Cucumber Vodka | 6 Bottles |
| | 750ml Crop Organic Harvest Earth Vodka | 6 Bottles |
| | 750ml Crop Organic Tomato Vodka | 6 Bottles |
| Frank-Lin Distillers Products, Ltd. (General Wine & Liquor Co.) | 750ml Whiskey Sister Bourbon | 6 Bottles |
| International Spirits & Wines, LLC (NWS Michigan, Inc.) | 375ml Buckwheat Otay Whiskey | 12 Bottles |
| | 750ml Curious Gin | 6 Bottles |
| | 375ml Defiant Rye Whiskey | 12 Bottles |
| | 750ml Peace Vodka | 6 Bottles |
| | 375ml Wicked White Whiskey | 12 Bottles |
| Park Street Imports LLC (General Wine & Liquor Co.) | 1000ml Atlantico Platino Rum | 6 Bottles |
| Park Street Imports LLC (NWS Michigan, Inc.) | 200ml Godet Antartica Cognac | 12 Bottles |
| | 50ml Godet Antartica Cognac | 96 Bottles |
| | 750ml Godet Antartica Cognac | 6 Bottles |
| Pernod Ricard USA, LLC (NWS Michigan, Inc.) | 750ml Green Spot Whiskey | 6 Bottles |
| | 750ml Redbreast Irish Whiskey 21 yr. | 3 Bottles |
| Proximo Spirits, Inc. (General Wine & Liquor Co.) | 200ml Maestro Dobel Diamond Tequila | 24 Bottles |
| St. George Spirits Inc. (NWS Michigan, Inc.) | 750ml St. George Pear Brandy | 6 Bottles |
| | 750ml St. George Raspberry Brandy | 6 Bottles |
| | 750ml St. George Raspberry Liqueur | 6 Bottles |
| | 750ml St. George Spiced Pear Liqueur | 6 Bottles |
| | 375ml Bulldog Gin | 12 Bottles |
| Skyy Spirits, LLC (General Wine & Liquor Co.) | 750ml Bulldog Gin | 6 Bottles |
| | 1000ml Bulldog Gin | 6 Bottles |
| | 750ml Caol Ila Stichel Res. Scotch | 6 Bottles |
| Diageo Americas, Inc. (NWS Michigan, Inc.) | 750ml Convalmore 36 yr. Scotch | 6 Bottles |
| | 750ml Port Ellen 34 yr. Scotch | 6 Bottles |
| | 750ml Domaine D'Epserance 1995 Brandy | 6 Bottles |
| USA Wine Imports, Inc. (General Wine & Liquor Co.) | 750ml Domaine D'Epserance 1998 Brandy | 6 Bottles |
| | 750ml Domaine D'Epserance 5 Ans Brandy | 6 Bottles |
| | 750ml Domaine D'Epserance Blanche | 6 Bottles |
| | 750ml Domaine D'Epserance XO | 6 Bottles |
| | 375ml Goutte De Mauzac Rose Brandy | 6 Bottles |
| | 375ml Goutte De Poire Williams Brandy | 6 Bottles |
| | 375ml Goutte De Prunelart Brandy | 6 Bottles |
| | 375ml Goutte De Reine-Claude Brandy | 6 Bottles |
| | 750ml Guillon-Painturaud Hors D'Age | 6 Bottles |
| | 750ml Guillon-Painturaud Renaissance | 6 Bottles |
| | 750ml Guillon-Painturaud V.S.O.P. | 6 Bottles |
| | 750ml Navarre Vieille Reserve Cognac | 6 Bottles |
| | 375ml Navazos Palazzi Montilla Brandy | 6 Bottles |
| 750ml Navazos Palazzi Ron Oloroso | 6 Bottles | |

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| 375ml Navazos Palazzi Single Fino | 6 Bottles |
| 750ml Paul Beau Hors D'Age Cognac | 6 Bottles |
| 750ml Paul Beau VSOP Cognac | 6 Bottles |

A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meet other exceptions as indicated and be approved for listing in the approved products list effective March 2, 2014:

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| Heaven Hill Distilleries, Inc. (General Wine & Liquor Co.) | 750ml Lunazul Primero Tequila | 6 Bottles |
| Savvy Distillers, L.P. (General Wine & Liquor Co.) | 50ml Deep Eddy Cranberry PL Vodka | 72 Bottles |
| Whyte and Mackay Americas Limited LLC (General Wine & Liquor Co.) | 750ml The Dalmore 25 yr. Scotch | 1 Bottle |

B. That the following requests for addition of product to the approved products list be approved for listing, effective February 2, 2014:

| <u>COMPANY/ADA</u> | <u>PRODUCT</u> | <u>PACK SIZE</u> |
|---|--|------------------|
| Jim Beam Brands Co. (NWS Michigan, Inc.) | 750ml Cruzan Peach Rum | 12 Bottles |
| | 750ml Hornitos Black Barrel | 12 Bottles |
| | 750ml Pinnacle Cinnabon Cinn Roll | 12 Bottles |
| | 1000ml Pinnacle Cinnabon Cinn Roll | 12 Bottles |
| | 1750ml Pinnacle Cinnabon Cinn Roll | 6 Bottles |
| Constellation Brands, Inc. (General Wine & Liquor Co.) | 50ml Svedka Mango Pineapple Vodka | 120 Bottles |
| | 750ml Svedka Mango Pineapple Vodka | 12 Bottles |
| | 1000ml Svedka Mango Pineapple Vodka | 12 Bottles |
| | 1750ml Svedka Mango Pineapple Vodka | 6 Bottles |
| | 50ml Svedka Strwbry Lemonade Vodka | 120 Bottles |
| | 750ml Svedka Strwbry Lemonade Vodka | 12 Bottles |
| | 1000ml Svedka Strwbry Lemonade Vodka | 12 Bottles |
| E. & J. Gallo Winery (General Wine & Liquor Co.) | 1750ml Svedka Strwbry Lemonade Vodka | 6 Bottles |
| | 1750ml Familia Camarena Silver Tequila | 6 Bottles |
| | 1000ml New Amsterdam Citron Vodka | 12 Bottles |
| | 1000ml New Amsterdam Coconut Vodka | 12 Bottles |
| | 1750ml New Amsterdam Coconut Vodka | 6 Bottles |
| | 1000ml New Amsterdam Peach Vodka | 12 Bottles |
| | 1750ml New Amsterdam Peach Vodka | 6 Bottles |
| | 1000ml New Amsterdam Red Berry | 12 Bottles |
| 1750ml New Amsterdam Red Berry | 6 Bottles | |

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| Grand Traverse Distillery, L.L.C. (General Wine & Liquor Co.) | 750ml Gr Trav Cherry Flavor Whiskey | 12 Bottles |
| International Spirits & Wines, LLC (NWS Michigan, Inc.) | 375ml Most Righteous Bourbon | 24 Bottles |
| Journeyman Distillery, LLC (General Wine & Liquor Co.) | 750ml Flat Lander's Bourbon Whiskey | 12 Bottles |
| | 750ml Flat Lander's Gin | 12 Bottles |
| | 750ml Flat Lander's Rum | 12 Bottles |
| | 750ml Flat Lander's Vodka | 12 Bottles |
| | 750ml Flat Lander's Whisky | 12 Bottles |
| Middle West Spirits, LLC (NWS Michigan, Inc.) | 750ml Oyo Honey Vanilla Bean Vodka | 12 Bottles |
| | 750ml Oyo Rye Whiskey | 12 Bottles |
| | 750ml Oyo Stone Fruit Vodka | 12 Bottles |
| | 750ml Oyo Vodka | 12 Bottles |
| | 750ml Oyo Wheat Whiskey | 12 Bottles |
| Pernod Ricard USA, LLC (NWS Michigan, Inc.) | 750ml Absolut Texas Vodka | 12 Bottles |
| | 750ml Malibu Orange Float Rum | 12 Bottles |
| | 1000ml Malibu Orange Float Rum | 12 Bottles |
| | 750ml Malibu Peach Sparkler Rum | 12 Bottles |
| | 750ml Malibu Rum Sparkler | 12 Bottles |
| Proximo Spirits, Inc. (General Wine & Liquor Co.) | 1000ml El Zarco Gold Tequila | 12 Bottles |
| | 1000ml El Zarco Silver Tequila | 12 Bottles |
| | 1750ml Three Olives Raspberry Vodka | 6 Bottles |
| USA Wine Imports, Inc. (General Wine & Liquor Co.) | 750ml Paul Beau VS Cognac | 12 Bottles |

That the request of Circus Procession, LLC, holder of 2013 Small Distiller license, for addition of the following products to the approved products list, be approved for listing, effective February 2, 2014; further prior to any sale and distribution of the products through the Commission's spirit distribution system, Circus Procession, LLC, must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for these products:

| <u>PRODUCT</u> | <u>PACK SIZE</u> |
|-------------------------|------------------|
| 750ml Coppercraft Gin | 12 Bottles |
| 750ml Coppercraft Rum | 12 Bottles |
| 750ml Coppercraft Vodka | 12 Bottles |

That the request of Two James Spirits LLC, holder of 2013 Small Distiller license, for addition of the following products to the approved products list, be approved for listing, effective February 2, 2014; further prior to any sale and distribution of the products through the Commission's spirit distribution system, Two James Spirits LLC, must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for these products:

| <u>PRODUCT</u> | <u>PACK SIZE</u> |
|-----------------------------------|------------------|
| 750ml Corktown Distillery Gin | 12 Bottles |
| 750ml Corktown Distillery Rye Dog | 12 Bottles |
| 750ml Corktown Distillery Vodka | 12 Bottles |
| 750ml Corktown Distillery Whiskey | 12 Bottles |

B. That the following requests for addition of product to the approved products list be approved for listing, effective March 2, 2014:

| <u>COMPANY/ADA</u> | <u>PRODUCT</u> | <u>PACK SIZE</u> |
|---|--------------------------------------|------------------|
| Sazerac North America, Inc. (NWS Michigan, Inc.) | 750ml 99 Peppermint Schnapps | 12 Bottles |
| Oregon Brewing Company (NWS Michigan, Inc.) | 750ml Rogue Farms Oregon Single Malt | 12 Bottles |
| Pernod Ricard USA, LLC (NWS Michigan, Inc.) | 50ml Malibu Orange Float Rum PL | 120 Bottles |
| Savvy Distillers, L.P. (General Wine & Liquor Co.) | 750ml Deep Eddy Cranberry Vodka | 12 Bottles |
| | 1000ml Deep Eddy Cranberry Vodka | 12 Bottles |
| | 1750ml Deep Eddy Cranberry Vodka | 6 Bottles |

C. That the following requests for promotional or special packaging be approved for listing, effective February 2, 2014:

| <u>COMPANY/ADA</u> | <u>PRODUCT</u> | <u>PACK SIZE</u> |
|---|--------------------------------------|------------------|
| Bacardi U.S.A., Inc. (General Wine & Liquor Co.) | 750ml DeWar's Spec 12 yr. w/Flask | 12 Bottles |
| Sazerac North America, Inc. (NWS Michigan, Inc.) | 750ml Calypso Spiced Rum w/Coke | 6 Bottles |
| Jim Beam Brands Co. (NWS Michigan, Inc.) | 750ml Jim Beam w/50ml JB Maple | 12 Bottles |
| | 750ml Red Stag w/50ml RS Spiced | 12 Bottles |
| Pernod Ricard USA, LLC (NWS Michigan, Inc.) | 750ml Jameson w/Shot GIs | 12 Bottles |
| | 375ml Seagram's Variety w/50ml Peach | 24 Bottles |
| Diageo Americas, Inc. (NWS Michigan, Inc.) | 1750ml Capt Morgan White w/2-50mls | 6 Bottles |

C. That the following requests for promotional or special packaging be approved for listing, effective March 2, 2014:

| <u>COMPANY/ADA</u> | <u>PRODUCT</u> | <u>PACK SIZE</u> |
|---|--|------------------|
| Bacardi U.S.A., Inc. (General Wine & Liquor Co.) | 1750ml Bacardi Superior w/l phone Spkr | 6 Bottles |
| | 750ml DeWar's Highlander Honey w/Coke | 6 Bottles |

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective February 2, 2014:

| <u>COMPANY</u> | <u>PRODUCT</u> | <u>PACK SIZE</u> |
|---|--|------------------|
| Jim Beam Brands Co. (NWS Michigan, Inc.) | 750ml Canadian Club w/Red Wing Logo GI | 6 Bottles |
| | 375ml Cour VS w/50ml Pucker Apple Sass | 12 Bottles |
| | 750ml Courvoisier Rose w/Carafe | 6 Bottles |
| | 375ml Courvoisier VS w/50ml Cour Rose | 12 Bottles |
| | 375ml Courvoisier VSOP w/50ml Cour C | 12 Bottles |
| | 750ml Courvoisier VSOP w/Gls | 6 Bottles |
| | 750ml Cruzan 9 w/Gls | 6 Bottles |
| | 750ml Effen Cucumber w/Gls | 6 Bottles |
| | 200ml Gilbey's D L D w/50ml Gin PL | 24 Bottles |
| | 375ml Gilbey's D L D w/50ml Gin PL | 24 Bottles |
| | 750ml Hornitos Rep w/50ml Lime Shot | 6 Bottles |
| | 750ml Hornitos Rep w/Shot & Beer GI | 6 Bottles |
| | 750ml Jim Beam w/Kid Rock T-Shirt | 6 Bottles |
| | 750ml Red Stag w/2-50mls & Shot GI | 6 Bottles |
| | 750ml Red Stag w/50ml H Tea or Spice | 12 Bottles |
| 750ml Red Stag w/50ml H Tea or Spiced | 12 Bottles | |
| Circus Procession, LLC (Small Distiller) | 750ml Coppercraft Gin | 6 Bottles |
| | 750ml Coppercraft Rum | 6 Bottles |
| | 750ml Coppercraft Vodka | 6 Bottles |
| Sidney Frank Importing Co., Inc. (General Wine & Liquor Co.) | 750ml Barenjager Honey & Tea | 12 Bottles |

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the above actions be taken in accordance with the E-Quote reports dated January 10, 2014, motion carried by unanimous vote.

III. Mr. Robinson presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of September 11, 2012 regarding special price reductions on spirit products, which was effective on January 1, 2013. He advised there were thirty three (33) different licensees requesting price reductions; that 336 product price reductions could be approved; and that 1 product price reduction should be denied.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the 336 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the 1 special price reduction be denied for the reasons stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.

- IV. Mr. Robinson requested approval of a bulletin for the submission of quotations for Price List No. 234, which is effective May 4, 2014. He advised this is a quarterly reminder that is sent to Vendors of Spirits and Vendor Representatives to remind them of the deadlines for the next price book.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that Bulletin 2014-01, be approved as written and presented, motion carried by unanimous vote.

- V. Ms. Wendt presented two requests for declaratory ruling received on December 20, 2013 from Attorney Phillip L. Ellison, on behalf of Dennis R. Bitterman (Bitterman), who holds Class C and Specially Designated Merchant licenses in Oakley Village, Saginaw County. The first request relates to a specific fact situation that is the subject of a pending complaint regarding the constitutionality of warrantless searches of licensed premises by Commission investigators and law enforcement provided for in MCL 436.1217(2). The second request relates to a specific fact situation that is the subject of pending complaints regarding the constitutionality of administrative rule R 436.1015(1), which requires the liquor license to be prominently displayed and framed under a transparent material in the licensed premises, and the constitutionality of administrative rule R 436.1405(1), which requires the posting of a sign stating the total capacity of each public room in the licensed premises. Assistant Attorney General Geissler stated that Bitterman has pending violations involving the same facts and legal issues that are the subject of the declaratory ruling request and has ongoing litigation in the Saginaw County Circuit Court against the local law enforcement agency. A brief discussion was held on the two requests.

Moved by Chairman Deloney, supported by Commissioner Olshove and carried by unanimous vote, that the request for a declaratory ruling for the Constitutionality of Rule 436.1015(1), and Constitutionality of Rule 436.1405(1), be denied.

Moved by Chairman Deloney, supported by Commissioner Olshove and carried by unanimous vote, that the request for a declaratory ruling for the Constitutionality of MCL 436.1217(2), be denied.

- VI. Old Business.

There was no Old Business.

VII. New Business.

There was no New Business.

VIII. Public Comments.

There were no Public Comments.

With no further business, moved by Commissioner Quimby, supported by Commissioner Olshove, that the business meeting be adjourned at 9:51 a.m., motion carried by unanimous vote.

Anita Fawcett
Executive Services

Andrew J. Deloney
Chairman